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June 17, 2011

**City of Fort Lauderdale
Disadvantage Business Enterprise Goal & Methodology
Transit Administration Grants:
Sistrunk Boulevard Streetscape and Enhancement Project
FTA Project ID# FL-03-0326-01, and
Downtown/Beach Shuttle Service
FTA Project ID# FL-03-0291-01**

As required by 49 CFR Part 26, this serves as notification of the City's goal and methodology.

AMOUNT OF GOAL

The City of Fort Lauderdale proposes a DBE goal of 12 % for the FTA grant funds. The local market area for the expenditure of funds was determined by using the area in which the majority of the contractors and subcontractors are located and where the majority of the contract dollars will be spent. It was determined that the FTA grant (FL-03-0291-01) amount of \$1,844,398 will not be used in the goal setting dollar amount since those funds are being used for rolling stock, management and operations.

Methodology Used to Calculate Overall Goal

Step 1: Determining the Base Figure-26.45(c)

The method described in 49 CFR 26.45(c)(1) was used to determine the base figure for the relative availability of DBE firms in the City of Fort Lauderdale's overall normal market area, comprised of Palm Beach, Broward, and Miami-Dade counties. The base figure was calculated on the premise that the firms identified in the table are ready, willing and able to do business on FDOT-assisted projects. The FTA grant - FL-03-0326-01 – Sistrunk Transit & Pedestrian Access Improvement project was used to identify the NAICS codes for the base figure. The numerator was calculated using the FDOT Biznet DBE directory data of Palm Beach, Broward, and Miami-Dade counties. The denominator was calculated using the 2008 Census Bureau County Business Patterns. Both the numerator and denominator used the same NAICS Codes within the City's market area. The base figure was calculated as follows:

Base Figure

The base figure was determined by dividing the total number of ready, willing, and able DBEs in the applicable NAICS codes by the total number of all firm(s) ready, willing, and able in the applicable NAICS codes.

$$411/4,366 = .0941 \times 100 = 9.41\%$$

The local market area was determined by using the Palm Beach, Broward, and Miami-Dade counties region because the work is to be done in Broward County, which is at the center of the Miami Urbanized Area. These boundaries were set due to the proximity of the contractors to the actual worksite as well as the majority of contractors in South Florida coming from this region. The table below shows the NAICS codes and types of industries for the project:

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NAICS CODES FOR PROJECT

TABLE 1.

NAICS	TYPE	DBE FIRMS	TOTAL FIRMS
236220	Commercial & Institutional building construction	256	769
238210	Electrical contractors and other wiring installation contractors	87	1,567
561730	Landscape Services	59	1,847
238390	Other building finishing contractors	8	161
221310	Water supply and irrigation systems	1	22
TOTAL		411	4,366

TOTAL NUMBER OF DBE FIRMS = 411
TOTAL NUMBER OF FIRMS = 4,366
BASE FIGURE = 9.41%

The most recent information available regarding DBE firms was obtained from the 2008 County Business Patterns and the Census Bureau 2008 NAICS Codes.

Step 2: Examination of Available Evidence to Determine Adjustment, if any, to the Base Figure-26.45 (d)

Disparity Study

Under this rule, evidence may be considered from disparity studies conducted in one's market area to determine if a base figure adjustment should be made. Broward County conducted a Disparity Study and released it on September 20, 2010. The conclusion of the disparity study states "As summarized above, and based on the detailed findings below, we conclude that there is strong evidence of large, adverse, and frequently statistically significant disparities between minority and female participation in business enterprise activity in Broward County's relevant market area and the actual current availability of those businesses. We further conclude that these disparities cannot be explained solely, or even mostly, by differences between M/WBE and non-M/WBE business populations in factors untainted by discrimination, and that these differences therefore give rise to a strong inference of the presence of discrimination." The Broward County Disparity Study can be found at www.broward.org.

Past Participation

Past participation was also considered in the decision to make an adjustment. The City's past participation in three different projects was analyzed. We looked at the past participation of one project managed by the City's Executive Airport (FXE) funded with DOT-assisted FAA funds, and two projects managed by the City's CRA funded with DOT-assisted FDOT and FHWA funds.

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The FAA funded grants (\$7,726,370) for the Relocation of Taxiway Alpha were expended during the fiscal years of 2007, 2008, 2009 with a goal achievement of 11.7%, 14.7%, and 9.5% respectively in those years. The DBE goal was set at 26.1% for that project. With that in mind, the goal was under achieved at --14.4%, -11.4%, and -16.6% in those years.

In FY 2009, the City's CRA FDOT funded project – Dorsey Riverbend Enhancement - had a goal of 11.9% and it achieved a DBE goal of 37%, over achieving the goal by +25.1%. In FY 2010, the City's CRA FHWA funded project – Northwest Neighborhood Improvements had a goal of 19.13% achieved a DBE goal of 22.60%, over achieving by +4.32%.

In order to obtain a step two adjustment for past participation the City will determine the median past participation. The values of the past participation are listed from low to high and since there are an odd numbers from which to determine the median, the City will select the number that falls in the middle. They are as follows: 9.5%, 11.7%, 14.7%, 22.6%, and 37%. The median past participation from the five values is 14.7%. The past participation median of 14.7% is then added to the base figure of 9.41% and divided by 2 to yield a step one base figure adjusted for past participation of 12%.

$$9.41\% + 14.7\% = 24.11\%$$
$$24.11/2 = 12\%$$

THE RACE/GENDER-NEUTRAL AND RACE/GENDER CONSCIOUS PARTICIPATION

The following is a summary of the basis of the estimated breakout of Race/Gender-Neutral and Race/Gender-Conscious DBE participation.

The City of Fort Lauderdale's history of DBE participation is from the use of FAA and FDOT and FHWA grant funds on three projects - Relocation of Taxiway Alpha, Dorsey Riverbend Enhancement, and Northwest Neighborhood Improvements. The City's DBE Goals and Actual DBE participation for the fiscal years of 2007, 2008, 2009, and 2010 are shown below:

Breakout for Race/Gender Neutral and Race/Gender Conscious Participation

Fiscal Year	DBE Goal	Actual DBE Participation	Difference
2007	26.1%	11.7%	-14.4%
2008	26.1%	14.7%	-11.4%
2009	26.1%	9.5%	-16.6%
2009	11.9%	37%	+25.1%
2010	19.13%	22.60%	+4.32%

For the years listed above, the City has under achieved on its DBE goal for three years on its FAA grant assisted project, and over achieved on its DBE goal for the FDOT and FHWA projects. As stated in 49 CFR sections 26.51, the maximum feasible portion of the goal must be met using race/gender-neutral means of facilitating DBE participation. The City will utilize race/gender-neutral means and race/gender-conscious measures to achieve the 12% goal. Given the results of

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Broward County's Disparity study and the City's past participation in under and over achieving its goals by a similar margin, the City will achieve its 12% goal by 9% race/gender-conscious measures and 3% by race/gender-neutral measures. This percentage (12%) will be used as a requirement in any new bid documents. DBE participation will be monitored during the year in order to determine how close the target projection is to actual participation.

The City will meet the maximum feasible portion of its overall goal by using the following strategies to increase DBE Participation:

- Arrange solicitations; give date and times for the presentation of bids, quantities, specification, and delivery schedules in ways that facilitate DBE, and other small businesses, participation.
- Conduct informational and communication workshops on contracting procedures.
- Encourage DBE attendance at pre-bid and pre-construction meetings on specific contract opportunities.

In order to insure that the DBE program will be narrowly tailored to overcome the effects of discrimination, the City of Fort Lauderdale will adjust the estimated breakout of race/gender-neutral and race/gender-conscious participation as needed to reflect actual DBE participation (see 26.51(f)). The City of Fort Lauderdale will track and report race/gender-neutral and race/gender-conscious participation separately. For reporting purposes, race/gender-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures;
- DBE participation through a subcontract on a prime contract that does not carry a DBE goal;
- DBE participation on a prime contract exceeding a contract goal;
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

THE PROCESS

The City of Fort Lauderdale is required to submit its overall DBE goal to FTA on August 1 of each year. The City will publish the FY 2011/2012 goal starting the week of June 20, 2011 on its website, www.fortlauderdale.gov and in the tri-county area local newspapers (Sun-Sentinel, el Nuevo Herald, Westside Gazette) informing the public that the proposed goal and rationale are available for inspection during normal business hours at the City's office for 30 days following the date of the notice, and that the City will accept comments on the goals for 45 days from the date of the notice. The City will begin using its overall goal immediately unless we have received other instructions from USDOT.